GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:490
ANSWERED ON:26.02.2016
Release of Funds for AP
Ram Mohan Naidu Shri Kinjarapu

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government is aware of the proposal sent by the Government of Andhra Pradesh regarding the release of Rs. 670.10 cr. which is remaining from the quota of Rs. 4017.28 cr. awarded to the State of Andhra Pradesh by the 13th Finance Commission;

(b) if so, the details thereof and if not, the reasons therefor; and

(c) the time by which the proposal is likely to be cleared by the Union Government?

Answer

MINISTER OF STATE FOR FINANCE
(SHRI JAYANT SINHA)

(a) to (c): Thirteenth Finance Commission (FC-XIII) had, during its award period 2010-15, recommended grants-in-aid to States, including Andhra Pradesh, for various sectors such as education; maintenance of roads and bridges; maintenance of forests; heritage conservation; local bodies; calamity relief; State specific needs; Improvement of outcomes in Justice delivery; Statistical systems; pensioners' database and district innovation. Grants were released as per guidelines based on the recommendations of FC-XIII. The period of implementation of recommendations of FC-XIII is already over on 31.03.2015 and no balance grant, if any, is payable to Andhra Pradesh at this stage. Reasons for short releases are non-fulfillment of requirements such as non-receipt of State High Level Committee approved action plans, required budget provisions and actual expenditure under the relevant Major Head being lower than FC-XII projected levels, non- receipt of utilization/ completion certifications, and non -payment of interest by the States to Local Bodies at bank rate for delayed transfer of grants beyond stipulated period. The requests for release of balance grant of FC-XIII received from time to time from Andhra Pradesh were processed within the ambit of recommendations of FC-XIII and suitable replies were given to the State Government.
****